



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 13, 2016
Action Item for the City Council Meeting of December 20, 2016

DATE: December 13, 2016

TO: Margie C. Rose, City Manager

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<p>Comprehensive Annual Financial Report (CAFR) and Budget Book Software and Implementation Service Agreement</p>
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CAPTION:

Motion authorizing the City Manager or designee to execute a five-year service agreement with Gray CPA Consulting, PC, of Magnolia, Texas, for the purchase and implementation of Comprehensive Annual Financial Report (CAFR) and Budget Book software licenses for a total amount of up to \$337,310, of which \$182,650 will be paid in Fiscal Year 2017, and providing for a contingency amount of up to \$10,000 each for the Finance Department and Budget Office related to this software procurement.

PURPOSE:

The purpose of this agenda item is to appropriate funds to execute a contract with Gray CPA, Consulting PC for CAFR and Budget Book software and implementation service.

BACKGROUND AND FINDINGS:

The City currently prepares its financial statements for the CAFR from trial balances by fund in MS Excel. Footnotes and Management's Discussion & Analysis (MD&A) are prepared in MS Word; statistical tables and Required Supplementary Information (RSI) are prepared in MS Excel. Other CAFR miscellaneous content may be in PDF or similar

formats. All of these pieces are then incorporated into a single document with Adobe Acrobat Professional; headers, page numbers, and table of contents are added manually.

The City currently prepares its budget book from reports from the Infor CPM system in MS Excel. The MD&A are prepared in MS Word. All graphs, charts and supplemental data are created in MS Excel. Other budget miscellaneous content such as memos, statistical data and power points may be in MS Word, PDF or similar formats. All of these pieces are then incorporated into a single document with Adobe Acrobat Professional; headers, page numbers, and table of contents are added manually. Automating the current manual processing of the CAFR report would improve quality and consistency of the report. In addition to this, it will reduce the time needed to produce the manual report.

In August 26, 2016 the City of Corpus Christi through the City Purchasing issued a Request for Proposal (RFP) for CAFR and budget book software and implementation service agreement.

Three proposals were submitted and evaluated. An evaluation team comprised of Finance staff and Budget staff, reviewed the proposals and scored each according to the criteria outlined in RFP. Three proposals were received and evaluated on a pass/fail evaluation criteria based on minimum qualifications. All three proposals met the minimum qualifications and proceeded to the next level of the evaluation process, which consisted on a review of the technical proposals based on the following criteria and weighting scale:

Firm's Experience 5 points
Team Experience 5 points
Understanding of Project Scope 80 points

Two proposers scored 70 points and one proposer scored much lower at 54. The two proposers invited for an interview and demonstration were Workiva Inc. and Gray CPA Consulting PC. After the interviews and demonstrations were conducted and scored by the evaluation committee on the same criteria, proposal and interview scores were then combined and price was then evaluated and price points were added for a final score. Through the evaluation process a determination was made that the highest scoring firm, Gray CPA Consulting PC would provide the best value to the City based on their technical proposal, interview/demonstration and pricing.

The term of the contract will be for five years for a total amount of \$337,310, plus a contingency amount of up to \$10,000 each for the Finance Department and Budget Office. The total estimated cost for first year is \$94,480 for Finance Department and \$88,170 for Budget Office for a combined total of \$182,650

ALTERNATIVES:

N/A

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State Statutes regulating procurements.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Financial Services Department
Budget Services Department

FINANCIAL IMPACT:

☒ Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$182,650	\$154,660.00	\$337,310.00
Encumbered / Expended Amount	\$0.00	\$0.00	\$0.00
This item	\$182,650	\$154,660.00	\$337,310.00
BALANCE	\$0.00	\$0.00	\$0.00

Fund(s) General Fund

Comments: Funds for the Finance Department in the amount of \$140,650 have been budgeted in FY 2016-2017 in the reserve appropriation account in the General Fund – with the remaining first year contract balance for the Budget Office of \$42,000 to be funded through their FY 2016-2017 operating budget. The contract balance of \$154,660.00 will be funded in future years.

The above Financial Impact Table does not include a contingency amount of up to \$10,000 each for the Finance Department and Budget Office related to this software procurement.

\$337,310 Total cost of software procurement
\$20,000 \$10,000 Contingency for each department
\$357,310 Total not to exceed

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Service Agreement- Comprehensive Annual Financial Report (CAFR) and Budget Book
Software and Implementation Service Agreement
Evaluation Matrix